

PBI-4

PBI Title: Supplemental Waste Treatment and Disposal

Performance Fee available and assigned to this PBI: \$7,000,000

ORP Manager:	ORP POC:	CHG Manager:	CHG POC:
John Swailes	Delmar Noyes	D. Allen	J. Kristofzski

Desired Endpoint/Outcome: The objective of this PBI is to cost-effectively retrieve, treat, and dispose of tank waste using non-WTP supplemental treatment techniques such that:

1. A net savings is achieved relative to the DOE established costs of treating the wastes via vitrification in the WTP,
2. All retrieved tank waste completes treatment by 2028 via a combination of supplemental non-WTP treatment and treatment in the WTP, and
3. Wastes with high sulfate, chromate, or other chemical constituents that limit overall waste loading in glass are preferentially treated outside the WTP resulting in higher net WTP throughputs and efficiencies.

Fee Payment Schedule:

Upon completion of each fee bearing milestone set forth herein contractor will be paid either provisional fee or incremental fee, in accordance with the clause H.2 "Provisional and Incremental Payments of Fee." Whether a milestone entitles Contractor to provisional fee or incremental fee is set forth in the milestone discussions contained herein.

Fee Bearing Milestones:

1. Treat and Disposition TRU and LAW. (Performance Fee: \$5,000,000)

- a. The Contractor will earn \$5,000,000 in incremental fee for removal and treatment of 1,000,000 gallons by 9/30/06 of either TRU sludge or other low-level Tank Farms waste that can be removed from the tanks, treated, and disposed of as non High Level waste.
 - A minimum of 750,000 gallons of TRU materials shall be included in the 1,000,000 gallons required for completion of this item.
 - TRU type materials shall be treated and stored for eventual shipment to WIPP.
 - LAW type materials shall have been treated and disposed either on or off-site.
 - The waste form to be produced will not be HLW and will be classifiable as either low-level waste, low-level mixed waste, or TRU waste based upon the provisions, criteria, and definitions set forth in DOE M 435.1-1.
- b. Incremental acceleration fee of \$800,000 shall be paid to the Contractor for each 100,000 gallons of additional waste that is retrieved and treated. Additional wastes can be either TRU

type materials or LAW type materials, with no restrictions on the balance between the waste types making up each 100,000 gallon increment.

2. Retrieve and Consolidate TRU Waste From DSTs. (Performance Fee: \$2,000,000)

a. The Contractor shall earn \$1,000,000 in incremental fee for each DST (up to a total of 2 DSTs) containing TRU that is retrieved to the extent economically practical for consolidation and the tank is subsequently released for other uses accelerating risk reduction and early closure, including SST retrieval, WTP feed delivery, and supplemental treatment.

Government Furnished Services/Items

Provide DOE review/approval of DOE O 435.1 deliverables within 60 days of receipt (30-day review/comment + 30 day final approval) except as specified below.

Provide DOE review/approval of TPA deliverables within 60 days of receipt (30-day review/comment + 30 day final approval) except as specified below.

ORP will respond to all other contractor submittals (e.g., AB, SARs, BCRs) required to complete this activity within 30 days provided the submittals are complete and ORP is provided with reasonable notice of the intent to submit.

ORP will review/approve determinations associated with TRU waste within 60 days of contractor submittal.

ORP will provide draft RH-TRU WIPP waste acceptance criteria to Contractor by 10/30/02.

DOE will work with the Contractor to accept TRU tank waste into existing site facilities for interim storage.

Commitments:

The Contractor shall:


- make fundamental changes in program logic and work performance,
- take actions to align Contractor organizations, work processes, etc. to achieve PBI outcomes,
- establish defensible technical, regulatory, and programmatic solutions,
- plan and lead all required internal and external discussions and interactions to achieve results incentivized in this PBI, and
- drive agreement within regulators and stakeholder groups for PBI outcomes.

The DOE-ORP will:

- work with the Contractor and regulators to allow minimal or no Leak Detection Monitoring and Mitigation requirements for each retrieval activity.

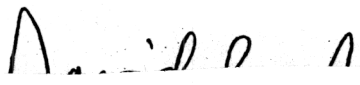
Definitions

"Government Furnished Services/Items" are those work elements that the Department of Energy commits to perform to support the completion of this PBI. If DOE cannot provide GFS/I as described herein, then it shall be treated as a change in accordance with the clause entitled "Changes" in Section I of the contract.



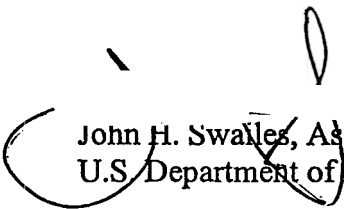
Edward S. Aromi, President and General
Manager, CH2M HILL Hanford Group, Inc.

9/30/02
Date




David B. Amerine, Executive Vice President
And Deputy General Manager
CH2M HILL Hanford Group, Inc.

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Date



John H. Swales, Assistant Manager for Tank Farms
U.S. Department of Energy, Office of River Protection

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Roy J. Schepens, Manager
U.S. Department of Energy, Office of River Protection

9/30/02
Date